

MINUTES

STEERING COMMITTEE MEETING

September 16, 2009

Beaver, Utah

MEMBERS IN ATTENDANCE

Commissioner Denny Drake, Chair
Mayor Dan McGuire, Vice-Chair
Commissioner Chad Johnson
Carolyn White
Commissioner Maloy Dodds
Gladys LeFevre
Commissioner Lois Bulloch
Alan Adams
Commissioner Douglas Heaton
Wendy Allan
LuAnne Forrest
Brian Cottam for Wes Curtis

REPRESENTING

Washington Co. Commissioner Representative
Washington County Mayor Representative
Beaver County Commissioner Representative
Beaver County Schools Representative
Garfield County Commissioner Representative
Garfield County Schools Representative
Iron County Commissioner Representative
Iron County Schools Representative
Kane County Commissioner Representative
Kane County Schools Representative
Washington Co. Schools Representative
Southern Utah University

OTHERS IN ATTENDANCE

Marreen Casper
Bryan Thiriot
Mike Empey
Wade Garrett
Mike Mower
Ken Sizemore
Beth Cottam
Diane Lamoreaux

Senator Hatch's Office
Senator Bennett's Office
Congressman Matheson's Office
Congressman Chaffetz's Office
Governor's Office of Planning and Budget
Five County Association of Governments
Five County Association of Governments
Five County Association of Governments

MEMBERS NOT IN ATTENDANCE

Mayor Leonard Foster
Mayor Lowell Mecham, Excused
Mayor Connie Robinson
Mayor Kim Lawson, Excused
Frank Lojko, Excused

Beaver County Mayor Representative
Garfield County Mayor Representative
Iron County Mayor Representative
Kane County Mayor Representative
Dixie State College of Utah

Commissioner Denny Drake, Chair, welcomed those in attendance. Those asking to be excused include Mayor Lowell Mecham, Garfield County Mayor Representative; Mayor Kim Lawson, Kane County Mayor Representative; and Frank Lojko, Dixie State College of Utah.

I. MINUTES AUGUST 12, 2009 - REVIEW AND APPROVE

Chairman Drake noted that a quorum was present and presented minutes of the August 12, 2009 meeting for Board consideration and approval.

MOTION WAS MADE BY MS. CAROLYN WHITE, SECONDED BY COMMISSIONER LOIS BULLOCH, TO ACCEPT MINUTES OF THE AUGUST 12, 2009 MEETING AS PRESENTED. MOTION CARRIED.

II. FY 2009 FISCAL REPORT

Mr. Ken Sizemore referenced information on pages 11-39 of the packet containing the FY 2009 fiscal report for the Five County Association of Governments. He provided a brief summary outlining cash assets, Revolving Loan Fund assets, liabilities and fund balances. All accounts are interest bearing but earned a low return in FY 2009. Total interest for FY 2009 was \$4,454 compared to \$37,563 earned in 2008. Sweep accounts paid 0.2% in 2009, which is the market rate for these type of accounts. It was noted that all accounts are held at Wells Fargo Bank. The savings account and cash reserve (\$300,000) are held to preserve the equivalent of one year's administration costs in the event of agency closure/asset liquidation, as well as estimated retirement benefits for approved sick leave conversion. Sick leave conversion costs of \$13,539 were taken from current revenues during the past fiscal year. The sick leave conversion allows eligible employees retiring under the Utah State Retirement system to convert 50% of their paid sick leave to cash or health care premiums. Each employee accrues eight hours per month sick leave with no limit for accrual. Board members noted that this is a very liberal policy, especially when combined with the ability to convert a portion to continued health care insurance. Mr. Sizemore noted that this will likely be a topic of discussion as the Executive Committee considers the AOG benefit package. Each year a comprehensive analysis is provided which summarizes each county benefit package for comparison with the Association of Governments. The Dixie Metropolitan Planning Organization (MPO) is also functioning with the intent to accumulate a one-year reserve beyond immediate operating cost requirements. That reserve balance on June 30, 2009 was \$155,805.

Mr. Sizemore explained that rent is charged to all programs in order to cover maintenance needs. The building maintenance fund has a balance of \$25,845. Initially it was planned to re-stripe the parking lot. However the network server crashed, and funds were used to reconstitute a server for the St. George office. It was noted that the report does not include capital assets including the building, land, furniture & equipment and vehicles.

Highlights for FY 2009 include: **1) County Contributions--** Remained stable at \$15,000 per county; **2) Weatherization Program--** A new facility has been leased in Cedar City, the Weatherization crew was able to make all improvements at a substantial savings to the AOG, and new equipment and trucks have been purchased for the newly hired crew. Expansion of this program is a result of extra funds from the American Recovery and Reinvestment Act (ARRA); **3) Foreclosed Property--** Property near Escalante which was initially slated as an RV park was sold for \$178,000 after about ten years. The loan went into default at which point Five County bought out the bank's note. However, Five County is holding the new note with monthly payments from the buyer in the amount of \$1,700. A few years ago the property appraised for \$238,000 but this was prior to the economic downturn. Board members asked about the current balance available for lending in the Revolving Loan Fund. Mr. Sizemore explained that the current administration is working to decentralize RLF programs which are old enough that money has revolved many times. This may provide the opportunity to operate as a stand alone program with no federal ties. Currently the RLF fund balance is approximately \$1 million; **4) State Fleet--** Because of the declining state budget, the Association of Governments is no longer able to participate in the state motor pool as a non-state agency. After completion of a bid process, the AOG has leased several vehicles locally. In addition, state fleet vehicles assigned to the AOG were purchased at a low residual value; **5) ARRA Funding--** A significant amount of

stimulus funds are flowing through the AOG; and **6) New Choices Waiver Program**-- This program initially functioned as the MOLINA program and has struggled over the past year to break even. Accrued revenue obtained from the MOLINA program has been utilized to cover costs to determine if this program can be successful. This has been a big challenge but the program is beginning to break even.

In addition, the Volunteer Center of Washington County had a negative fund balance attributable to an AmeriCorps program. Administrative costs, salaries, stipends, etc. have been paid out but the reimbursement has not been received.

Mr. Sizemore explained that all of the Association of Governments accounts are held with Wells Fargo Bank and are insured to \$250,000. It was noted that this is not uncommon for most public agencies. Staff has met with Wells Fargo and is comfortable with the current banking situation. The only other option would be to establish accounts with various banks to spread funds out.

Mr. Sizemore provided a handout depicting amounts of federal stimulus (ARRA) monies awarded in Southwest Utah. A total of \$83 million is directed to Southwest Utah for the following activities: 1) Transportation; 2) Drinking Water/Waste Water; 3) Energy Efficiency/Conservation; 4) Education; 5) Public Health; 6) Community Development & Housing; 7) Dixie National Forest; 8) Bureau of Land Management; 9) National Park Service; 10) Direct Business Loans; and 11) Guaranteed Housing Loans. The federal government has allocated \$233 billion nationwide as of September 4, 2009. It was noted that this list was very difficult to compile and was developed mainly through comparison with various websites. The federal recovery site has four projects tied to the Five County Association of Governments, most of which were vocational rehabilitation funds allocated to the state of Utah.

Mike Mower, State Planning Coordinator, provided a handout outlining funds awarded to the state of Utah under the American Recovery & Reinvestment Act (ARRA). The list was compiled on September 1, 2009 and also contains agency contacts. Governor Gary Herbert has appointed Mr. Mower to serve as the state of Utah "stimulus czar". As mentioned earlier, the first reporting period for stimulus funds is October 10th.

The intent meeting with the Board today is to gather input and analysis from elected officials in regard to their perceptions on the stimulus package. Direct questions were presented as follows: **1) How have stimulus funds impacted operating budgets?**-- Commissioner Denny Drake indicated that ARRA funds have had no direct impact on county general operating budgets. There has been no increase in sales taxes and no real benefit in terms of day-to-day operations. However, it would be difficult to determine the level of decreases without stimulus dollars. Mr. Mower commented that at the state level funds were used to back fill budget shortfalls and to prevent tapping into rainy day funds. Commissioner Lois Bulloch explained that the opposite is true for counties where employees are being laid off and budgets trimmed. Ms. Carolyn White, Beaver County School Representative, explained that funds are provided for one year and programs would have to be cut at the end of that year. Mr. Alan Adams, Iron County School Representative, reported that Iron County was able to retain five positions for a one year period of time. Commissioner Lois Bulloch mentioned that the Five County Human Services Council agreed to utilize these funds for training programs with the intent to assist individuals in becoming more self-sufficient and to decrease their dependency on social programs. However, counties are

having to lay off employees and trim their budgets. Commissioner Doug Heaton pointed out that monies allocated to individuals were intended to stimulate the economy, but people are not spending those dollars. Board members expressed concern with lack of guidelines being made available for many of these funds. Mr. Mower responded that the state of Utah is also having some difficulty with obtaining audit guidelines. In addition, the state is utilizing existing employees to administer ARRA programs; and **2) Have any new jobs been created or saved as a direct impact of ARRA funds?**-- Mr. Brian Cottam indicated that SUU has been able to save positions in the Head Start program, but those jobs will be lost next year because revenues at the state and county levels are not anticipated to increase. Ms. Wendy Allan, Kane County School Representative, observed that ARRA funds are very prescriptive. Board members concurred that staff will be retained for a one year period of time and will then be eliminated. Ms. LuAnn Forest, Washington County School Representative, commented that the same is true with her school district.

It was also noted that infrastructure over the long term will have a negative impact in terms of increased operation and maintenance costs. Mr. Mower commented that most of the dollars allocated to the state of Utah contained mandates in terms of where those dollars could be spent and were pass-through funds to various agencies. Ms. Beth Cottam explained that Five County AOG did not necessarily want stimulus dollars but handled allocation of these funds responsibly. Additional staff have been hired at the AOG with a specific plan to retain those positions, and some part-time staff have increased their hours. The Human Services Council determined that the best use of these funds is to improve interpersonal skills to assist clients in becoming more self-reliant.

Mr. Mower concluded that the economy appears to be entering a recovery period, but few additional jobs are being created. Commissioner Denny Drake pointed out that Washington County was very construction oriented and those job numbers are not increasing. There are approximately 2,000 foreclosure filings each month in Washington County. Many funding issues will continue with decreased tax revenues that will ultimately impact school districts. It was also pointed out that foreclosures typically have about a six month lag and will not reach the bottom until sometime in 2010. It is anticipated that there will be approximately 4 million foreclosures in the United States by the end of 2009. Revenues at the county level continue to decline while people demand more services. Mr. Mower thanked local elected officials for their continued support and discussion in terms of stimulus impacts.

III. REALLOCATION OF COMMUNITY SERVICES BLOCK GRANT (CSBG) AMERICAN REINVESTMENT AND RECOVERY ACT (ARRA) FUNDS RECOMMENDATION

Ms. Beth Cottam referenced information contained on page 41 of the packet providing an explanation from the Kane County Commission in regard to acceptance of ARRA funding. A determination was made by Kane County to decline these dollars. The Human Services Council met on September 8, 2009 and reviewed various scenarios for reallocation of these funds. Staff recommends ratification of Human Services Council action to re-allocate \$29,833 to New Frontiers for Families to provide support service case management primarily in Kane County. This would be established as a separate contract for monitoring purposes.

MOTION WAS MADE BY COMMISSIONER MALOY DODDS, SECONDED BY MS. GLADYS LEFEVRE, TO RATIFY THE HUMAN SERVICES COUNCIL RECOMMENDATION FOR REALLOCATION OF ARRA DOLLARS IN THE AMOUNT OF \$29,833 TO NEW FRONTIERS FOR FAMILIES TO PROVIDE SUPPORT SERVICE CASE MANAGEMENT PRIMARILY IN KANE COUNTY. MOTION CARRIED.

IV. PUBLIC FORUMS REPORT

Ms. Beth Cottam provided a handout summarizing information compiled from the 16th annual Human Services Public Forums held throughout the region between March 13, 2009 to April 9, 2009. This summary was reviewed with the Human Services Council during their July 2009 meeting. She recognized Brian Cottam and the SUU Regional Services office for their willingness to provide the audience response system for use during each of the forums. The Association of Governments is required to hold at least one public forum to meet programming requirements. The forums also serve as a development and compliance tool for Southwest Utah Mental Health Authority and Southwest Utah Public Health Department. Comparison of data collected during the 2009 Public Forums is made with 2008 data for validation purposes. The top ten priorities outlined by the Human Services Council are also validated with information gathered at the forums.

Ms. Cottam noted that most forum participants had lived in the region for more than ten years. Six forums were conducted this year, with an additional session in Escalante. Approximately 1/3 to 1/4 of participants were new to the public forum process, most were home owners, and many indicated that their family situation was better than one year ago despite challenging economic times. Participants demonstrated a strong sense of independence and ability to care for themselves. A large number were employed and receiving benefits from their jobs. However, those drawing unemployment compensation generally lacked health insurance. Strong issues in each of the forums were the need for jobs that pay a good wage, economic development, senior programs and health care support. Staff has a strong excitement for information shared at the forums, especially in terms of volunteerism. Information on page 33 of the handout depicts the need for volunteers and page 34 outlines the percentages of volunteer hours for each forum. It is interesting to note the percentages for those volunteering over 30 hours each month. A strong validation was also gathered for the need for affordable housing. Staff introduced the Utah Saves program at each of the forums where over 50 individuals pledged to either begin saving or increase existing savings.

The Five County AOG will host Public Forums again in the spring of 2010. Ms. Cottam solicited dialogue from counties in terms of items they would like to have included next year.

Mr. Sizemore announced that today is Beth's anniversary date marking her 16th year since coming back to the Association of Governments. It was noted that she worked for the AOG previous to her new tenure but left for a period of time while raising her family and working for another state agency. Beth recently announced her retirement at the end of June 2010. The salary plan at the AOG does not provide for annual salary increases for long term employees. It is appropriate to thank Beth for her service to the Association of Governments and recognize the many hours and contributions she has made to all five counties. A bonus compensation check was presented to acknowledge Beth's dedication and hard work provided in support of the Association of Governments in fulfilling its mission.

V. ZION NATIONAL PARK SPECIAL USE PERMITTING CONCERNS

Mr. Ken Sizemore referred to correspondence contained on pages 42-44 addressed to the Kane County Office of Tourism. The Model T Club of America visited Zion National Park, Cedar Breaks National Monument and Pipe Spring National Monument earlier this summer and feels that requirements placed on the group in terms of a Special Use Permit were arbitrary and rigid. Commissioner Doug Heaton, Kane County Commission, has requested that the Steering Committee discuss the issue of Special Use Permits and requirements placed on groups visiting National Parks and National Monuments. Copies of a response letter from Superintendent Jock Whitworth was provided which also includes attachments of numerous policies which direct the National Park Service in terms of special use permits. Mr. Sizemore mentioned that the chief ranger dealing with this issue has now transferred to Yellowstone National Park.

Commissioner Doug Heaton explained that the Model T tour group comes through Kanab every 2 to 3 years. Members of the tour group felt that they were treated poorly by Chief Ranger Schwartz because they did not actually travel in a large group. The group met in Kanab but broke off into smaller groups to tour Zion National Park, Pipe Spring National Monument and Bryce Canyon National Park. The group was not allowed to park inside the park boundaries nor were they allowed to have more than 50 people in the park at the same time. Members felt like bureaucratic regulations got in the way of tourism and that park personnel were over zealous. Kane County elected officials are concerned about the potential loss of these large tour groups and the impact it would have on the county. Ms. Wendy Allan, Kane County Schools, reiterated that the group actually breaks out into smaller contingencies and should be treated as any other tourist entering a national park. It is even more concerning to Kane County that no apology or concern with treatment of this group has been expressed by Superintendent Whitworth which may have helped to buffer the impact. It was also pointed out that the impact of these Model T cars would be much less than large RV's traveling through the park. This policy could likely impact future groups visiting Zion National Park.

Superintendent Whitworth has offered to follow up with Kane County officials and to cover the topic of permitting in National Parks in general terms at an upcoming Southern Utah Planning Authorities Council (SUPAC) meeting. Discussion today also brings this issue forth to the congressional delegation representatives, and will hopefully generate conversation with Senators and Congressmen representing southwestern Utah.

VI. SOUTHERN UTAH UNIVERSITY REGIONAL SERVICES UPDATE

Mr. Brian Cottam, SUU Regional Services Office, announced that school is back in session and the fall season for Shakespeare has started. Board members are invited to visit the campus to participate in various sporting events as well as Shakespeare. The Regional Services Office has been spending a large amount of time working on the Utah Prairie Dog Implementation Plan. A new staff position has been advertised and the hiring process is progressing. This particular issue has a great impact on Iron County. Staff has also spent considerable time working in Beaver County with energy initiatives with development of a mission statement and a website that is under construction. Wes Curtis is spending a lot of time working on the Cedar Breaks National Monument potential designation as a National Park. This designation would have a direct impact on SUU research programs

because of bordering properties held by the University. It was pointed out that a number of trails from Cedar Breaks National Monument trespass onto private property in the Ashdown Gorge area. Another important topic of discussion is grazing which is currently allowed in the National Forest but would be prohibited with designation as a National Park. Public hearings are being held to solicit public input in this regard. The community wildfire protection plan is nearing completion and this also has a big impact on the University. A new coordinating council has been developed on the SUU campus for the Paiute Tribe modeled after the alliance for education. This is viewed to be very productive and is hoped to strengthen the relationship between SUU and the Tribe. After the summer break, entrepreneur forums will be ramping up again in the next few weeks in Kanab. These have proven to be very beneficial and have demonstrated a lot of business and community support.

Commissioner Lois Bulloch mentioned that the Utah Prairie Dogs are a continuing discussion item of the Iron County Commission. The Utah State Tax Commission recently granted a property owner's appeal which devalued land occupied by Prairie Dogs. This issue will continue to dominate discussions and will likely result in similar requests for property devaluation.

VII. DIXIE STATE COLLEGE UPDATE

Mr. Frank Lojko, Dixie State College of Utah, asked to be excused from today's meeting. In the future, he will try to designate an alternate representative to attend.

VIII. CONGRESSIONAL STAFF UPDATES

Mr. Wade Garrett, Congressman Chaffetz Office, reported that the Congressman is very busy with the health care reform debate. Another topic of interest is his work to sponsor legislation that would help with reimbursement for search and rescue activities on public lands. Rural counties are experiencing difficulty in getting reimbursed for these efforts. Commissioner Doug Heaton commented that county sheriffs need to be provided statutory authority to enter wilderness areas for an official rescue mission to save the lives of those in danger. This was recently an issue in Kane County and needs to be addressed. Commissioner Chad Johnson expressed concern with this type of authorization in terms of stipulations and directives that the federal government would be able to establish. However, he agreed that rescue operations on public lands are very costly and there needs to be some type of reimbursement to counties.

Mr. Mike Empey, Congressman Matheson's Office, reported that the Congressman's time has been dominated with health care reform. He voted no on the House bill which passed through committee in July. He is watching the House Resource Committee closely and will provide additional information as it is obtained. The Congressman has strong concerns with Cap and Trade and also voted against this bill. It appears that the Senate will delay action until next year as this has taken a back seat to health care reform. The August recess was dominated by requests for meetings throughout the District. Commissioner Maloy Dodds encouraged representatives to oppose Cap and Trade in any form on any basis as it will triple energy costs. Board members reported that all five counties have passed resolutions in opposition to Cap and Trade. Those resolutions have been passed along to the National Association of Counties. Congressional delegation representatives

asked that copies be forwarded to their attention as well. Another item of interest is the Red Rock Wilderness bill which is once again in committee with the possibility of something happening in October. Once again, the Southern Utah Wilderness Alliance (SUWA) is pushing the Red Rock Wilderness bill. Commissioner Denny Drake commented that passage of this legislation would negate the Washington County Land Bill and should not be allowed to happen. Washington County is in the process of preparing a list of objections and problems associated with this bill.

Mr. Bryan Thiriot, Senator Bennett's Office, reported the Senate is working on the appropriations bill for transportation and HUD. The U.S. Senate voted 83 to 7 to strip the Association of Community Organizations for Reform Now (ACORN) housing funds. Focus will now move to the Department of the Interior bill and then health care reform. Senator Bennett is also opposed to Cap and Trade and has indicated that this bill cannot be swallowed in any form. Commissioner Lois Bulloch mentioned that television ads and correspondence from an organization titled "Club for Growth" makes it sound like Senator Bennett's health care reform proposal is a horrible bill. Bryan responded that this legislation would be revenue neutral, but a lot of calls are being generated from those advertisements. The Senator is also concerned in regard to the Red Rock Wilderness Bill introduction.

Ms. Marreen Casper, Senator Hatch's Office, reported that constituent calls in regard to health care have been very nasty, comparable with calls received on immigration. Most of the Senate voted against ACORN, and the Census Bureau has also cut ties with this organization. Senator Hatch does not support Cap and Trade legislation and feels that its intent is not to reduce emissions or protect the environment. This legislation would really hurt the state of Utah. Health care reform is a hot issue, not necessarily Republican or Democratic, but an American issue. However, legislation which has been introduced is too expensive and does not address health care issues.

IX. LOCAL AFFAIRS

A. CORRESPONDENCE

Mr. Sizemore indicated that information in regard to the Utah Community Impact Board (CIB) grant and loan program as well as an application tutorial meeting are provided on pages 45-46 of the packet. The meeting is scheduled for Thursday, September 17, 2009, beginning at 6:00 p.m. at the Five County Association of Governments Cedar City Office. Information is also included for the Energy Efficiency and Conservation Block Grant (EECBG) presentation which will also be held on September 17th at the same location from 7:15 to 8:00 p.m.

B. OUT-OF-STATE TRAVEL

Mr. Sizemore presented two out-of-state travel requests as follows: **1) Darren Jones--** Travel to Dallas, Texas on October 26-30, 2009 to attend the Economic Development Finance Professional (EDFP) training sponsored by the National Development Council; and **2) Gary Zabriskie--** Permission to travel to Mesquite, Nevada on October 14-15, 2009 to attend the Virgin River Watershed stakeholders meetings. Funds are available to cover travel costs and it is recommended that the Board approve travel for these individuals.

MOTION WAS MADE BY COMMISSIONER CHAD JOHNSON, SECONDED BY COMMISSIONER MALOY DODDS, APPROVING OUT-OF-STATE TRAVEL FOR DARREN JANES AND GARY ZABRISKIE AS OUTLINED. MOTION CARRIED.

C. PERMANENT COMMUNITY IMPACT BOARD APPLICATIONS

Mr. Sizemore reported that no applications were received for review and comment.

D. PLANNING ASSISTANCE

None.

E. OTHER BUSINESS

Mr. Sizemore announced that a retirement open house will be held on October 2, 2009 for Paul Thorpe, Director of the Southwest Mental Health Authority. Steering Committee members should have all received invitations.

Mr. Sizemore indicated that Mayor Lowell Mecham has asked if the Board would consider an agenda item next month to address fire management. A recent fire on the East Fork of the Sevier has caused concern in Garfield County in terms of health issues as well as smoke during the tourist season. He wondered if the State Division of Air Quality and federal land managers could address this issue. Commissioner Maloy Dodds commented that this fire burned for 65 days as a prescribed burn and felt that the issue should be addressed. Commissioner Chad Johnson mentioned that it is difficult to address this because most of the county commissioners support controlled burns. The issue is timing and when these fires should be allowed. Another problem is that when fires are caused by lightning strikes federal land managers often determine to manage the fire as a prescribed burn. It is almost impossible for fire management in a wilderness area without a lightning strike because federal land managers must go through the entire NEPA process for a controlled burn. In order to achieve any type of forest management, controlled burns must occur. Commissioner Doug Heaton explained that timber should ideally be harvested prior to controlled burn which would eliminate a large portion of the pollution and carbon dioxide put into the atmosphere. Board members agreed that timing, humidity and fire conditions are potential topics of discussion, but it may be best for individual counties to address this concern directly with the federal land management agencies. Mr. Sizemore indicated that the discussion today brings this to the attention of the congressional representatives.

Ms. Wendy Allan, Kane County School District, asked if Board members would be supportive of having future packets provided via e-mail to cut down on copy costs and paper waste. Mr. Sizemore indicated that this could be an option in the future.

X. AREAWIDE CLEARINGHOUSE REVIEWS

Commissioner Drake, Chair, presented one A-95 review contained in the packet and three Late Arrivals for Board consideration. All reviews have supportive staff recommendations.

MOTION WAS MADE BY COMMISSIONER CHAD JOHNSON, SECONDED BY COMMISSIONER MALOY DODDS, TO APPROVE AREAWIDE CLEARINGHOUSE REVIEWS, INCLUDING LATE ARRIVALS, AS PER STAFF RECOMMENDATIONS. MOTION CARRIED.

The next meeting is scheduled for Wednesday, October 14, 2009 at the Parowan Public Library beginning at 1:00 p.m.

Meeting adjourned at 3:10 p.m.